From:	Will Wang Graylin <wgraylin@roamdata.com>
To:	'Ben Lo'
Sent:	4/22/2010 3:51:19 PM
Subject:	RE: FW: BBPOS Development and License Agt.

Ben,

Most service providers will be looking to get hardware for as cheap as they can, and reluctant to share their recurring revenue unless you provide more of the solution like processing or application or service. I think Michael Lhuillier would be happy to share revenue if you can make his business work including processing and service for "cash in" portion of his business. ISO, processor, banks are much worse because they feel they own the recurring value chain and they would normally just want to buy equipment for as cheap as they can, they'll switch to the next lower cost device as it becomes available. That is why terminal makers have not been able to crack this side without service. Being flexible is the key to working with these guys.

I'm happy to create a model that works for you, either way. I am also open to not doing exclusive on BBPOS so it doesn't bind you. As long as we work closely together with customers it will benefit us both. Again, if you have customers that need our service, they'll rely on it, and we can share revenue, that is currently in the contract. I'm happy to also have you sell BBPOS to Lhuillier without ROAM. Overall, we over more value together than separate and can get more margin together than separate.

I'll call you later tonight my time, we'll figure a starting point and agree on what works now. We can always change if the model does not work, but I want you to be comfortable with the starting point.
Cheers,
Will

From: Ben Lo [mailto:benlo@systems-art.com.hk]
Sent: Thursday, April 22, 2010 9:08 AM
To: Will Wang Graylin
Subject: Re: FW: BBPOS Development and License Agt.

Hi Will,

My business model for BBPOS is to sell BBPOS at very low cost and charge a monthly license fee so that our company has some recurrent revenue. If I give you an exclusive right to sell BBPOS and getting a monthly license fee for each BBPOS you sold. That's good to me. But I also design the ROAMpos for RoamData. ROAMpos completes with BBPOS in some sense. If you have to top up some montly fee for each BBPOS you sold, you might focus in selling ROAMpos. Is it possible for me to get a fixed amount per month or % of your monthly fee for each BBPOS & ROAMpos you sold?

Also, if I cannot make minimum $X per month after, say, 2 years. I would like to get back the right to promote BBPOS by myself.

I know that I can also sell BBPOS to Michael Lhuillier in Philippines and Indonesia. I promised to sell to him before. So, I would also like to carve out BBPOS in Philippines and Indonesia.

Give me some thought please.

Ben

On Tue, Apr 20, 2010 at 11:07 PM, Will Wang Graylin <wgraylin@roamdata.com> wrote:
Thank you Ben. I'm sure we'll figure out the best way forward.

Warm regards,
Will

From: Ben Lo [mailto:benlo@systems-art.com.hk]
Sent: Tuesday, April 20, 2010 6:03 AM

To: Will Wang Graylin
Subject: Re: FW: BBPOS Development and License Agt.

Good points. Let me think about that and come back to you on Wednesday.

Ben

On Tue, Apr 20, 2010 at 1:34 PM, Will Wang Graylin <wgraylin@roamdata.com> wrote:
Hi Ben,
I made some changes to the agreement for clarification and added your change on Page 10. The one area that I am trying to get my arms around is the BBPOS device for low cost feature phones. How you would go out to market with BBPOS? If you use the feature phone as a modem, you would still need local certification of EMV or Debit applications on the BBPOS, and need a way to directly certify to local processors or banks. Anyone with a compatible phone would still need Data Plan, and using the phone as a modem is not trivial either due to pairing. Many phones will not allow you to "Tether" as a modem, so complexity arise there. If they have a data plan, they would likely be on a phone that they want to add value added apps on like ROAMplayer. It still may be better to work out a way to get Ingenico ROAM to distribute BBPOS for you, and you can resell both BBPOS and ROAMpay POS which can be packaged with a low cost phone, or used as a modem. We would need to get localization to the different markets, but you may be able to earn recurring revenue if you refer business to BBPOS or ROAMpay POS.

I don't want to stop you from selling the BBPOS if it is a hit, it may be harder to sell than we think. But combining solutions may offer best of both worlds.

I also don't want to confuse the market and reduce our overall margin. Just like these guys at ID Tech are already dropping our margin big time and confusing the market with customers talking to both of us driving our prices down. I want to work with you to maximize your success and investment.

What is the amount of margin you would like to make per unit on the BBPOS? If we can help you sell more units, and you can also maintain your margin, would that work for you? I just want to explore ways that work for you. Give me your thoughts.
Warm regards,
Will

From: Ben Lo [mailto:benlo@systems-art.com.hk]
Sent: Monday, April 19, 2010 11:34 AM
To: Will Wang Graylin
Subject: Re: FW: BBPOS Development and License Agt.

Hi Will,

I read the agreement and notice that the exclusivity includes both CircleSwipe and BBPOS device. I think it is about CircleSwipe only in the terms sheet.

BBPOS limited and Hong Kong government invests approx $350K into device and HK government expects its investment to be paid back when we sell the device. (Enclosed please find the contract from HK government). In this agreement, it looks like you will sell ROAMpay POS and does not allow us to sell BBPOS except in China. Signing this agreement may lead to lawsuit between BBPOS Limited and HK government.

BBPOS is designed to work together with very low cost feature phones. The feature phone is used as modem only. No special software is running in the feature phone. I see big market for the product in developing countries.

Look like you would like to use ROAMpay POS with smart phone like iPhone, Android phone, etc. Maybe we distinguish BBPOS and ROAMpay POS in this way. OR I grant you exclusivity in North American so that BBPOS didn't compete with ROAMpay POS? Give me some thought.

Also, in page 10, should be"Additional out of pocket cost of EMV certification & PCI PED certification of the ROAMpay POS will be paid by Company to Partner.

Regards,
Ben

On Fri, Apr 16, 2010 at 3:32 AM, Will Wang Graylin <wgraylin@roamdata.com> wrote:
Hi Ben,
I hope you are doing well. I have attached a draft of the agreement we discussed, it is still a draft, but wanted us to focus on the rough scale and agreement. Look forward to hearing your feedback before I submit for approval.

Talk soon.

Best regards,
Will

From: William S. Gehrke [mailto:bill@wsglegal.com]
Sent: Wednesday, April 14, 2010 9:22 AM
To: 'Will Wang Graylin'; 'John Frontz'
Subject: RE: BBPOS Development and License Agt.

Hi Will and John – My additional suggestions are attached. If you have any questions regarding these changes, please feel free to contact me. Thank you.

Best regards,

Bill